

Georgia Department of Transportation  
External Audit  
Internal Control and Consultant Business Questionnaire  
Part I

**INSTRUCTIONS:** This questionnaire is designed to assist GDOT auditors in obtaining a basic knowledge of the consultant's entity, operations, ownership, and accounting system. It will also be utilized for items affecting the overhead computation and to understand and identify the internal controls. The auditor will evaluate this questionnaire when preparing the audit plan.

**It is the responsibility of your company's management to report changes that affect issues reported on your Internal Control and Consultant Business Questionnaire. GDOT will reflect changes on day of receipt.**

Consultant's Legal Name: \_\_\_\_\_

Consultant's Business Address \_\_\_\_\_

\_\_\_\_\_

Corporate Address /Home Office Address\_\_\_\_\_

\_\_\_\_\_

Completed By: \_\_\_\_\_

Title \_\_\_\_\_

Telephone Number \_\_\_\_\_

E-Mail Address \_\_\_\_\_

Fiscal Year End: \_\_\_\_\_

Date Completed: \_\_\_\_\_

Reviewed By: \_\_\_\_\_ GDOT Auditor      Date \_\_\_\_\_

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**ORGANIZATIONAL STRUCTURE**

1. Type legal entity (C Corporation, S Corp, partnership, sole proprietor, DBE, WBE, non profit, etc.) \_\_\_\_\_
2. Date Company Founded \_\_\_\_\_ State \_\_\_\_\_
3. Major Stockholders (partners or owner) and percentage ownership

Name and Title	% Ownership

4. Principal Management Members, time devoted to business and salary

Name and Title	Years

5. Locations maintained and nature of business in each location

Location	Nature of Business

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**GENERAL ACCOUNTING**

1. Basis of accounting (cash, accrual, other) \_\_\_\_\_
2. Are written procedures maintained for?  
Accounting Yes \_\_\_\_\_ No \_\_\_\_\_ Personnel Yes \_\_\_\_\_ No \_\_\_\_\_  
Other \_\_\_\_\_
3. Have you had an audit, review, or compilation performed recently on any phase of your operation by an Independent Accountant or Governmental agency?  
Compilation \_\_\_\_\_ Review \_\_\_\_\_ Audit \_\_\_\_\_  
Overhead \_\_\_\_\_ Specialized \_\_\_\_\_ Year \_\_\_\_\_  
Firm Name/Agency \_\_\_\_\_
4. Do you have an independent CPA or accountant? Yes \_\_\_\_\_ No \_\_\_\_\_  
Contact Name \_\_\_\_\_ Phone \_\_\_\_\_
5. Are records manual \_\_\_\_\_ or computerized? \_\_\_\_\_ If computerized, what software package do you use? \_\_\_\_\_
6. How many accounting personnel do you have and how are their functions segregated?  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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7. If you have more than one division, do you maintain separate ledgers for each division? Yes \_\_\_\_\_ No \_\_\_\_\_
8. Do you have more than one cost center? Yes \_\_\_\_\_ No \_\_\_\_\_
9. Are separate accounts/ledgers maintained for each cost center? Yes \_\_\_\_\_ No \_\_\_\_\_

10. Please identify the cost centers

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11. Do you have more than one indirect cost rate? \_\_\_\_\_ If yes, list the following:

Pool	Applicable base

If yes, what do you use the different rates for?

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12. Attach a detailed explanation of your estimating system to include how the system ties to your billing system.

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13. Do you maintain a job order cost accounting system? \_\_\_\_\_

If not, briefly explain what type system you maintain. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

14. What project charges do you post to your job cost ledger?

Direct Labor \_\_\_\_\_ Overhead \_\_\_\_\_

Other Direct Expenses \_\_\_\_\_ Profit \_\_\_\_\_

15. Does your general ledger interface with the job cost ledger? Yes \_\_\_\_\_ No \_\_\_\_\_

16. Do you maintain separate **direct** and **indirect** accounts in the general ledger for?

Labor Yes \_\_\_\_\_ No \_\_\_\_\_

Expenses Yes \_\_\_\_\_ No \_\_\_\_\_

17. Are billings to GDOT prepared from or reconciled to the job cost reports?

Yes \_\_\_\_\_ No \_\_\_\_\_

By whom \_\_\_\_\_, Title \_\_\_\_\_

18. What costs do you bill directly to projects?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

19. For in-house charges (i.e., copying, telephone, blueprints, supplies, etc) what is the basis of the amount you charge to contract?

20. Are these costs billed directly to all projects? Yes \_\_\_\_\_ No \_\_\_\_\_

21. Are costs that you direct bill expensed through your overhead accounts?

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Yes \_\_\_\_\_No\_\_\_\_\_

If yes, in what accounts do you record these expenses?

Expense	Account

22. Who approves invoices for payment? \_\_\_\_\_

23. Are invoices cancelled after payments are made? Yes \_\_\_\_\_No\_\_\_\_\_

24. Are invoices coded? Yes \_\_\_\_\_No \_\_\_\_\_By whom? \_\_\_\_\_

Does the coding include a job #? Yes \_\_\_\_\_No\_\_\_\_\_

25. Do you use purchase orders? Yes \_\_\_\_\_No\_\_\_\_\_

If no, how are costs other than labor initiated?

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## Georgia Department of Transportation

## Internal Control and Consultant Business Questionnaire

**LABOR**

- Provide attachment if necessary.*

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2. How do you calculate pay rates for labor charged to jobs?

A. Actual individual hourly rate \_\_\_\_\_

B. Actual straight salary \_\_\_\_\_

C. Job classification average or work group average \_\_\_\_\_

3. If you charge using job classification average or work group average, how do you account for differences between actual salary amount paid and the average salary costs?

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4. Does your company policy provide for overtime payment or compensatory time?

Yes \_\_\_\_ No \_\_\_\_

If yes, please explain your policy

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5. Does your system have provisions to calculate premium or overtime pays rates?

Yes \_\_\_\_ No \_\_\_\_

In what account do you account for overtime premium?

Direct Labor \_\_\_\_\_ Overhead \_\_\_\_\_ ODC \_\_\_\_\_

6. Do you bill Contract labor to projects?

Yes \_\_\_\_ No \_\_\_\_

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7. If you bill contract labor, please explain how you bill the contract labor (direct labor or as an other direct costs) and where you record the expense in your accounting records.

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***Travel***

1. Do you maintain a standard travel reimbursement form? Yes \_\_\_\_\_ No \_\_\_\_\_
2. Are receipts and invoices attached? Yes \_\_\_\_\_ No \_\_\_\_\_
3. Does the reimbursement form provide for?
- A. Employee signature Yes \_\_\_\_\_ No \_\_\_\_\_
- B. Supervisory approval Yes \_\_\_\_\_ No \_\_\_\_\_
- C. Job Cost Ledger coding yes \_\_\_\_\_ No \_\_\_\_\_
4. At what rate is personal car mileage reimbursed? \_\_\_\_\_
5. Do you pay a per diem allowance, or actual cost? \_\_\_\_\_
6. Under what circumstances do you pay per diem?
- What rate? \_\_\_\_\_

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1. Does management understand the Federal Acquisition Regulations (FAR) and other rules and regulations for accounting records required by contracts with Georgia DOT?

Yes \_\_\_\_\_ No \_\_\_\_\_

A copy of the FAR can be viewed at [www.arnet.gov/far/](http://www.arnet.gov/far/).

If not, please provide additional comments

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2. Is a system in place to identify and remove unallowable costs per FAR from your indirect cost pools? Yes \_\_\_\_\_ No \_\_\_\_\_

Explain the system

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3. Do Principals separate personal and business expenses in the company's accounting records? Yes \_\_\_\_\_ No \_\_\_\_\_

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**MANAGEMENT REPRESENTATION**

**All of the above answers are true to the best of my knowledge. This form must be signed by A *Senior Manager*.**

*Sign* \_\_\_\_\_

*Title* \_\_\_\_\_

*Date* \_\_\_\_\_